

July File

DIRECTOR OF CENTRAL INTELLIGENCE
Security Committee

SECOM-D-270
22 August 1977

MEMORANDUM FOR: Members of the Security Committee

FROM :
Chairman

SUBJECT : Release of Sensitive Compartmented Information
(SCI) to Contractors and Consultants

Attached for your information are comments made by the
Air Force member on the problems of releasing sensitive
compartmented information (SCI) to contractors and consultants.
This subject will be discussed at the 7 September 1977
Security Committee meeting.

STATINTL



Attachment:
USAF Memorandum

USAF review(s) completed.

DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE INTELLIGENCE SERVICE
FORT BELVOIR, VIRGINIA 22060



REPLY TO
ATTN OF: INS, Wash DC 20330

25 JUL 1977

SUBJECT: Release of Sensitive Compartmented Information (SCI) to
Contractors and Consultants

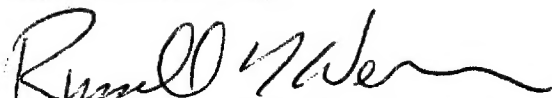
TO: Chairman
DCI Security Committee

1. The attachment to the current edition of DCID 1/7 basically provides that SCI shall not be released to contractors unless special permission has been obtained from the originator. "Release" is further defined as the visual, oral, or physical disclosure of classified intelligence material.
2. We are experiencing substantial difficulty in obtaining timely originator release or denial for release of NSA, CIA, and DIA products needed by Air Force contractors. This problem is particularly acute with respect to contractors sponsored by the Air Force Systems Command (AFSC). A backlog of several hundred requests has now accumulated, some of which were originally submitted in December 1976 and January 1977.
3. This backlog is attributed, in part, to recent efforts by HQ USAF and HQ AFSC to adhere scrupulously to the DCID 1/7 rules by submitting requests for "originator release" for each and every SCI product believed needed by our contractors. This action has literally "swamped" NSA and DIA, in particular, with a significant backlog of USAF requests. The inordinate delays in obtaining timely originator decision on the release of their SCI products has resulted in a significant loss in the effectiveness of Air Force relations with industry. If no relief is obtained, the impact will result in higher cost, fewer and less complete products, curtailment of new system initiatives, and a significant reduction in the use of all-source data by engineers and Air Force planning activities.
4. We have made unilateral efforts with NSA and DIA to accelerate the release process. While these efforts may alleviate the problem to a degree, we believe the scope of the problem warrants SECDEF review of the existing rules to determine whether changes are warranted. Areas of consideration could include:

a. Adopting rules currently in effect for dissemination of collateral intelligence products. Collateral product dissemination rules have worked well in past years and involved many items as sensitive as most routine SCI products. Unrestricted flow of SCI products to contractors is still prevented, but at the senior intelligence officer/contract monitor level versus the originator. Contract relevancy, strict need-to-know, etc, would still be mandatory considerations prior to actual release.

b. Requiring SCI product originators to make a more detailed and realistic review of their products at the time of origination. SCI products positively determined to be not releasable to contractors would be annotated with the DCID 1/7 NOCONTRACT or PROPIN control markings. Others would be automatically considered releasable to US contractors subject only to the remaining precautions prescribed in DCID 1/7. As an estimated 90% of requests for contractor release are now approved by the originators, making a more realistic decision at the time of origination of the product would greatly alleviate the administrative process now necessary to obtain an after-the-dissemination decision from the SCI product originator.

5. Request this matter be scheduled for early SECOM review and discussion.



RUSSELL T. NEWMAN, Colonel, USAF
Dir, Security & Comm Management
USAF Security Committee Representative

Cy to: AFSC/IN